



FINANCE COMMISSION OF TEXAS

MEETING DATES.....June 21, 2013

MEETING LOCATIONFinance Commission Building
William F. Aldridge Hearing Room
2601 N. Lamar Blvd.
Austin, Texas

CONTACT INFORMATION.....Phone: (512) 936-6222
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FUTURE MEETING DATESAugust 15-16, 2013
.....October 17-18, 2013
.....December 20, 2013

*** The State of Texas fiscal year begins September 1 and ends August 31. The dates noted meet the minimum statutory requirement of six meetings per calendar year. TEX. FIN. CODE §11.106.*

Meeting Accessibility. Under the Americans with Disabilities Act, the agency will accommodate special needs. Those requesting auxiliary aids or services should notify Tammy King Wooten several days prior to the meeting using the contact information above by mail, telephone, or email.

A.

Finance Commission

Committee Material

And

Other Finance Commission Matters

AGENDA
FINANCE COMMISSION MEETING

Friday, June 21, 2013

8:30 a.m. or Upon Adjournment of the
Audit Committee Meeting, Whichever is Later

Finance Commission Building
William F. Aldridge Hearing Room, 2601 N. Lamar Blvd.
Austin, Texas 78705

Section A.3 will take up the following agenda items with NO DISCUSSION as notated in bold and italicized: A1; C2.

Public comment on any agenda item or issue under the jurisdiction of the Finance Commission agencies is allowed unless the comment is in reference to a rule proposal for which the public comment period has ended. However, upon majority vote of the Commission, public comment may be allowed related to final rule adoption.

A. Finance Commission Matters

1. ***Review and Approval of the Minutes of the April 19, 2013, Finance Commission Meeting.***
2. General Public Comment.
3. Consent Agenda.
4. Finance Commission Operations – Legislative Issues; Testimonies and Correspondence; and Agency Complaints.
5. Audit Committee Report
 - A. Audit Committee Review of Agencies' Activities.
 - B. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action to Extend the Internal Auditor Contract for Garza/Gonzalez & Associates through Fiscal Year 2014.
 - C. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Department of Banking's Audit of the Prepaid Funeral Contract Area as Prepared and Presented by Garza/Gonzalez and Associates.
 - D. Discussion of and Possible Vote to Recommend that the Finance Commission Take Action on the Texas Financial Education Endowment Fund Grant Program Administration and Advisory Policy and Grant Advisory Committee members.
6. Discussion of and Possible Vote to Take Action on the Adoption of the Completed Rule Review of 7 TAC, Title 8, Chapter 151, Concerning Home Equity Lending Procedures and Chapter 153, Concerning Home Equity Lending.

7. Discussion of and Possible Action Regarding Personnel Matters Pursuant to Section 551.074, Texas Government Code: Deliberations with Respect to the Duties of a Person Holding the Position of Executive Director of the Finance Commission, Deliberations with Respect to the Duties of Persons Holding the Position of Agency Commissioner Positions, and Other Staff.
8. Discussion of and Possible Action Regarding Facility Planning and Real Property Matters Pursuant to Section 551.072, Texas Government Code: Deliberations Regarding the Purchase, Exchange, Lease or Value of Real Property.
9. Discussion of and Possible Action Regarding Anticipated and Pending Litigation Pursuant to Section 551.071, Texas Government Code, for the purpose of seeking the advice or attorney-client privileged communications from our attorneys regarding pending and contemplated litigation.

The Finance Commission of Texas, The Credit Union Commission of Texas, and Texas Bankers Association v. Association of Community Organizations for Reform Now (ACORN), Valerie Norwood, Elise Shows, Maryann Robles-Valdez, Bobby Martin, Pamela Cooper, and Carlos Rivas.

B. Department of Savings and Mortgage Lending

1. Industry Status and Departmental Operations – State Savings Bank Activity: a) Industry Status; b) State Savings Bank Charter and Application Activity; c) Wholesale Savings & Loan Charter and Application Activity; d) Recap of Problem Institutions/Enforcement Issues; and e) Other Issues.
2. Industry Status and Departmental Operations – Mortgage Lending Activity: a) Residential Mortgage Loan Originators; b) Mortgage Examination; c) Consumer Complaints/Legal Activity; d) Mortgage Industry Advisory Committee Minutes; and e) Other Issues.
3. Fiscal/Operations Activity: a) Funding Status/Audits/Financial Reporting; b) Staffing; and c) Other Issues.
4. Discussion of and Possible Vote to Take Action on the Proposal for Publication and Comment of Chapter 80, Licensing.
5. Discussion of and Possible Vote to Take Action on the Proposal for Publication and Comment of Chapter 81, Pre-education for Licensing (3 hours).
6. Discussion of and Possible Vote to Take Action on the Publication for Comment of Proposed Repeal of 7 TAC §76.4(a) Regarding Financial Statements, Annual Reports; Audits.
7. Discussion of and Possible Vote to Take Action on the Publication for Comment of Proposed Repeal of 7 TAC §77.72 Regarding Liquidity.
8. Discussion of and Possible Vote to Take Action on the Publication for Comment of Proposed Repeal of 7 TAC §77.74 Regarding Local Service Area Investment Requirement.
9. Discussion of and Possible Action Regarding Anticipated and Pending Litigation.

Khosrow Khani v. Texas SML; Cause No. D-1-GN-13-000207, 200th Judicial District Court of Travis County, Texas.

C. Office of Consumer Credit Commissioner

1. Industry Status and Departmental Operations: a) Consumer Protection; b) Consumer Assistance; c) Licensing; d) Credit Education; e) Financial and Administration; f) Legal Activity; and g) Legislative Activity.
2. *Discussion of and Possible Vote to Take Action on the Adoption of New 7 TAC, Part 1, Chapter 4, Concerning Credit Card Surcharge Appeal Procedures.*
3. Discussion of and Possible Vote to Take Action on the Publication for Comment of Proposed Amendments to 7 TAC §83.503, Concerning Administrative Fee, and §83.605, Concerning Limitation on Acquisition Charge, for Regulated Lenders.
4. Discussion of and Possible Vote to Take Action on the Publication for Comment of Proposed New 7 TAC §86.201, Concerning Documentary Fee, for Retail Creditors.
5. Discussion of and Possible Vote to Take Action on the Publication for Comment of Proposed New §§89.208, and 89.801 - 89.804, and Proposed Amendments to 7 TAC §§89.206 - 89.207, 89.504, 89.506 - 89.507, and 89.701, in Chapter 89, Concerning Property Tax Lenders.
6. Discussion of and Possible Action Regarding Anticipated and Pending Litigation.

D. Department of Banking

1. Industry Status and Departmental Operations: a) Items of Interest from the Commissioner's Office; b) Bank and Trust Division Activities; c) Corporate Division Activities; d) Special Audits Division Activities; e) Fiscal Division Activities; f) Strategic Support Division Activities; g) Legal Division Activities; h) Legislative Activity; and i) General Items of Interest.
2. Discussion of and Possible Action Regarding Anticipated and Pending Litigation.

State of Texas v. Stephenville Memorial Gardens, Inc.; Cause No. 30853, in the 266th District Court of Erath County, Texas.

Texas Department of Banking v. Greg Abbott, Attorney General of Texas; Cause No. D-1-GV-11-001906, In the 53rd District Court of Travis County, Texas

State of Texas v. Myrtlewood Memorial Services d/b/a Harlingen-Combes Memorial Cemetery, Cause No. 2013-DCL-2248-B, in the 138th Judicial District Court of Cameron County, Texas.

Note: The Finance Commission Committee may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, TEXAS GOVERNMENT CODE, Chapter 551.

Meeting Accessibility: Under the Americans with Disabilities Act, the Finance Commission of Texas will accommodate special needs. Those requesting auxiliary aids or services should notify Tammy King Wooten, Finance Commission of Texas, 2601 North Lamar Boulevard, Austin, Texas 78705, (512) 936-6222, as far in advance of the meeting as possible.

MINUTES OF THE FINANCE COMMISSION MEETING

Friday, April 19, 2013

The Finance Commission of Texas met Friday, April 19, 2013, in the Finance Commission Building, William F. Aldridge Hearing Room, 2601 North Lamar Boulevard, Austin, Texas.

Members in attendance:

Bill White, Finance Commission Chair
Paul Plunket, Finance Commission Vice Chair
Susan Burton, Finance Commission Member
Darby Byrd, Finance Commission Member
Stacy London, Finance Commission Member
Cindy Lyons, Finance Commission Member
Lori McCool, Finance Commission Member
Jonathan Newton, Finance Commission Member
Larry Patton, Finance Commission Member
Jay Shands, Finance Commission Member

Members absent:

Victor Leal, Finance Commission Member (excused)

Others in attendance:

Doug Foster, Executive Director to the Finance Commission and Commissioner, Texas Department of Savings and Mortgage Lending (SML)
Charles Cooper, Commissioner, Texas Department of Banking (DOB)
Leslie Pettijohn, Commissioner, Office of Consumer Credit Commissioner (OCCC)
Sealy Hutchings, General Counsel, OCCC
Jim Crowson, Assistant Attorney General, Office of the Attorney General (OAG)

Finance Commission Chair Bill White announced a quorum with ten members present and called the meeting to order at 8:31 a.m.

Finance Commission Matters:

Chairman White called for an Executive Session at 8:33 a.m.

Chairman White noted that no final action, decision, or vote on matters deliberated during executive session was made by the members. The below agenda item was the only matter of discussion.

Discussion of and Possible Action Regarding Personnel Matters Pursuant to Section 551.074, Texas Government Code: Deliberations with Respect to the Duties of a Person Holding the Position of Executive Director of the Finance Commission, Deliberations with Respect to the Duties of Persons Holding the Position of Agency Commissioner Positions, and Other Staff.

Chairman White reconvened the Open Meeting of the Finance Commission at 9:00 a.m.

Discussion of and Possible Vote to Excuse the Absence of a Commission Member.

Chairman White made a motion to excuse Victor Leal from the Finance Commission meeting held on April 19, 2013. Darby Byrd seconded and the motion was adopted.

General Public Comment.

No public comments were received.

Consent Agenda.

Susan Burton made a motion that the Finance Commission approve consent agenda items A1; B2. Jay Shands seconded and the motion was adopted. (A copy of the consent agenda is attached).

Finance Commission Operations – Legislative Issues; Testimonies and Correspondence; and Agency Complaints.

Doug Foster, Executive Director to the Finance Commission, highlighted the FY2014 Budget Timeline Process report. He noted the public hearing to present the agencies budgets will be August 12, 2013. The Commissioner continued with discussion of the upcoming Sunset Commission review for the agencies that will occur before the next legislative session.

He continued with the announcement of Mr. William B. Lucas, the new Finance Commission Member replacing Commission Member Darby Byrd, to serve on the Commission.

Chairman White announced the resignation of Commission Member Darby Byrd and continued by honoring him with a resolution from the Finance Commission of Texas. There was discussion among members for their appreciation to Mr. Byrd on his exemplary service and leadership while serving on the Commission.

Audit Committee Report

Committee Chair Lyons reported on the Audit Committee meeting held on April 19, 2013.

Agencies' February 28, 2013, Investment Officer Reports

Committee Chair Lyons made a recommendation on behalf of the Audit Committee that the Finance Commission approve the Agencies' February 28, 2013, Investment Officer Reports. A second was not needed and the motion carried.

Agencies' Second Quarter Financial Statements

Committee Chair Lyons made a recommendation on behalf of the Audit Committee that the Finance Commission approve the Agencies' Second Quarter Financial Statements. A second was not needed and the motion carried.

Discussion of and Status Report on the Texas Financial Education Endowment Fund

Committee Chair Lyons reported on the update and overview of the education endowment fund presented by Commissioner Pettijohn.

Discussion of and Possible Vote to Accept the Report of the Financial Condition of the State Banking System.

Chairman White commended the Texas Department of Banking on the educational and informative report.

Jay Shands made a motion that the Finance Commission accept the Report of the Financial Condition of the State Banking System. Larry Patton seconded and the motion was adopted.

Discussion of and Possible Vote Taking Action on the Finance Commission Agency Heads' Fiscal Year 2013 Mid-Term Accomplishment Reports.

Office of Consumer Credit Commissioner

Commissioner Pettijohn provided an overview of the progress on the Agency's priorities for FY13. She highlighted the motor vehicle sales finance documentary fee review process.

The Commissioner continued with a discussion of the stakeholder outreach and communication efforts in compliance webinars for motor vehicle sales finance and credit access businesses (CAB). The agency continues to be very active in this area and to work closely with the targeted audience groups. She commended the Agency's performance measures being on track to achieve their key performance targets.

Department of Banking

Commissioner Cooper provided an overview of progress on the Agency's priorities for FY13. He continued with an update on the meeting Conference of State Bank Supervisors held in March in Washington, D.C. with U.S. Representative Jeb Hensarling, and the Vice Chairman for the House Financial Services Committee. Commissioner Cooper commented on the Agency's positive relationship established with the Representative, his staff and various other legislative members.

He continued with an overview of the new Multi-State Examination Taskforce for money service businesses. Texas was named one of the ten states to serve on this taskforce.

The Commissioner highlighted the Agency's participation in the expansion of the Nationwide Mortgage Licensing System.

Commissioner Cooper announced he will be attending and presenting the opening remarks at the Financial Fitness Greater Houston meeting in May.

Department of Savings and Mortgage Lending

Commissioner Foster provided an overview of progress on the Agency's priorities for FY13. He continued by highlighting the relationship building objective for all three agencies with the Consumer Financial Protection Bureau (CFPB). Each agency has entered into a pilot program for sharing consumer complaint information and they are pleased with the level of cooperation.

The Commissioner commented on the Agency's key performance measures, while highlighting the thrift and mortgage examination areas for compliance.

Jonathan Newton made a motion that the Finance Commission accept the Finance Commission Agencies' Fiscal Year 2013 Mid-Term Accomplishment Reports. Cindy Lyons seconded and the motion was adopted.

Office of Consumer Credit Commissioner

Industry Status and Departmental Operations:

Commissioner Pettijohn summarized the large number of legislative bills that had been filed related to financial services and that had been moving through the legislative process. She continued by highlighting specific bills and those significant to the OCCC. There was discussion among members. Commissioner Pettijohn addressed the questions.

She provided a general overview of the Agency's consumer protection activities and highlighted examination staffing, noting gains and losses within this area.

Commissioner Pettijohn continued with a discussion of the motor vehicle sales finance examinations and compliance levels. She noted the Agency's efforts and progress to increase the rate of compliance levels throughout the remaining fiscal year.

The Commissioner provided an overview of the Agency's complaints with a breakdown by type and totals accumulated.

She continued with the administration report noting that April is Financial Awareness Month and the Agency is participating with and has involvement with several organizations at various events during the month.

The Commissioner discussed the selection of Sistema Technologies, Inc. to develop the Agency's licensing and registration self-service web-based portal. The anticipated target completion date is the end of November.

She provided a general overview of the licensing report and commended her staff for their efforts and continual improvement in the processing time over the prior year. There have been very significant improvements within the Agency's customer service areas and the processing time for license applications.

Commissioner Pettijohn highlighted the CAB report noting more additional information and extra data fields that were compiled in the processing of the report. There was discussion among members. Commissioner Pettijohn and Mr. Karl Hubenthal addressed the questions.

She provided an overview of the Agency's executive summary report highlighting the staffing and employee data while including available hiring opportunities. She introduced Nancy Ebert as the new Executive Assistant to replace Joann McAnally who recently retired.

The Commissioner concluded her discussion by providing an overview of the legal report. She summarized an enforcement action the Agency is seeking to revoke two associated property tax lender licenses for statute violations. There was discussion among members. Commissioner Pettijohn and Mr. Hutchings addressed the questions.

Discussion of and Possible Vote to Take Action on the Proposal for Publication and Comment of New 7 TAC, Part 1, Chapter 4, Concerning Credit Card Surcharge Appeal Procedures.

Commissioner Pettijohn provided an overview of the proposed rule.

Stacy London made a motion to approve the Proposal for Publication and Comment of New 7 TAC, Part 1, Chapter 4, Concerning Credit Card Surcharge Appeal Procedures. Susan Burton seconded and the motion was adopted.

Department of Banking

Industry Status and Department Operations:

Commissioner Cooper provided an update on several federal issues before presenting an overview of the Agency's operations. He also commented on the banking condition in West, Texas, and the efforts being made by the Agency and staff. He continued by providing a legislative update highlighting all pending bills affecting the Agency.

He summarized the CAMEL ratings noting that the total number of banks is now 290, declining primarily due to bank consolidations. Problem banks have been reduced to 26, and this continues to be a positive trend within the banking industry.

The Commissioner continued with an overview of corporate activities and detailed the applications of mergers and conversions.

He summarized the special audit activities and highlighted the past due examinations. The Commissioner continued with a discussion of the Agency's staffing information, performance measures, and new job posting chart.

Commissioner Cooper concluded with a summary of strategic support activities and reported on the complaints area. He discussed the Bank Examination Testing System and provided the Agency's legal update.

Commission Members Newton and Plunket commended Commissioner Cooper and his staff for their exceptional work within the banking industry.

Department of Savings and Mortgage Lending

Industry Status and Departmental Operations:

Commissioner Foster provided an overview of the Agency's executive summary report commenting on the examination activities within the residential mortgage loan origination individual licensee's area. He reported a significantly smaller number of licensees examined than the previous year, with this being a continual trend. Despite this reduced volume the Agency remains well within suggested examination timeframes.

The Commissioner continued with the thrift activities report showing a reoccurring positive trend and a greater return on average assets. The state thrift capital levels also remained strong ending at 16% compared to the national average for savings banks at 12%.

He further reported on the Emergency Communications System; a free tool provided by the Federal Reserve of St. Louis for the use by state depository regulators during emergency situations. The Agency now has all institutions registered giving immediate access to communicating with all state savings banks.

Commissioner Foster provided an overview of the Agency's legislative issues. The current or outstanding bills in thrifts or mortgage areas are primarily for clean-up and elimination of requirements for those not subjected to any other depository institution and are progressing well.

He further reported on the current mortgage licensee population with the Agency continuing to have about 500 new license applications received per month with the expectation for these numbers to continue. Commissioner Foster commended Mr. O'Shields, Director of Licensing, and his staff for maintaining the high volume of application processing while having a reduction in support staff at this time. He continued by summarizing the mortgage examination area.

The Commissioner concluded his discussion by providing an overview of the significant volume in consumer complaints related to loan servicing increasing by 48%. The enforcement activity was summarized indicating that the Agency's hearing numbers and formal actions have decreased.

There was discussion among members regarding the CFPB consumer complaint program regarding any of the agencies' receiving complaints on the state level. The commissioners addressed the questions.

There being no further business, Commission Chair Bill White adjourned the meeting of the Finance Commission at 10:37 a.m.

Bill White, Chair
Finance Commission of Texas

Doug Foster, Executive Director of the
Finance Commission of Texas

Tammy King Wooten, Executive Assistant
Finance Commission of Texas

Finance Commission of Texas

CONSENT AGENDA

June 21, 2013

Finance Commission Matters (A1)

Review and Approval of the Minutes of the April 19, 2013, Finance Commission Meeting.

Office of Consumer Credit Commissioner (C2)

Discussion of and Possible Vote to Take Action on the Adoption of New 7 TAC, Part 1, Chapter 4, Concerning Credit Card Surcharge Appeal Procedures.

Rule	Short Title/Purpose	Project Date for Presentation to Finance Commission (Proposal or Adoption)	Agency
1. 7 TAC, Part 8, Chapters 151 and 153	Home Equity Lending Procedures Home Equity Lending <i>Rule Review</i>	06/21/13 adoption	Joint Fin. Regulatory Agencies
1. Chapter 80	Residential Mortgage Loan Companies To implement statutory changes made by the 83 rd Legislative Session.	06/21/13 proposal	SML
2. Chapter 81	Mortgage Bankers and Residential Mortgage Loan Originators To implement statutory changes made by the 83 rd Legislative Session.	06/21/13 proposal	SML
3. 7 TAC §76.4(a)	Financial Statements, Annual Reports; Audits <i>Proposed Repeal</i> To implement a statutory change made by the 83 rd Legislative Session to state savings banks.	06/21/13 proposal	SML
4. 7 TAC § 77.72	Regarding Liquidity <i>Proposed Repeal</i> To implement a statutory change made by the 83 rd Legislative Session to state savings banks.	06/21/13 proposal	SML
5. 7 TAC § 77.74	Local Service Area Investment Requirement <i>Proposed Repeal</i> To implement a statutory change made by the 83 rd Legislative Session relating to state savings banks.	06/21/13 proposal	SML

Rule	Short Title/Purpose	Project Date for Presentation to Finance Commission (Proposal or Adoption)	Agency
1. 7 TAC, Part 1, Chapter 4	Credit Card Surcharge Appeal Procedures <i>New Rules</i> To provide procedures for parties to appeal credit card surcharge issues to the commission, outlining how an appealed complaint may be heard as a contested case with the OCCC representing the commission	06/21/13 adoption	OCCC
2. 7 TAC §83.503 & §83.605	Rules for Regulated Lenders <i>Amendments</i> To implement SB 1251 by providing alternative reasonable maximum amounts for administrative fees (Subchapter E) and acquisition charges (Subchapter F) authorized for regulated lenders	06/21/13 proposal	OCCC
3. 7 TAC §86.201	Retail Creditors <i>New Rule</i> To implement SB 1248 by setting reasonable maximum documentary fees for Chapter 345 retail creditors may charge in connection with the sale of a motorcycle, motor-driven cycle, moped, all-terrain vehicle, boat, boat motor, boat trailer, or towable recreational vehicle	06/21/13 proposal	OCCC
4. 7 TAC, Chapter 89	Property Tax Lenders <i>New Rules & Amendments</i> To make conforming changes related to the prohibition of persons over 65 from authorizing a tax lien transfer and the licensing exemption applicable to persons loaning within the second degree of consanguinity or affinity; to add provisions related to the maintenance of advertising and payoff information; to provide provisions concerning advertising and payoff statements, along with two required forms	06/21/13 proposal	OCCC
5. 7 TAC, Part 1, Chapter 2, Subchapter B	Residential Mortgage Loan Originators Applying for Licensure with the OCCC Under the SAFE Act <i>New Rules</i> To provide operational requirements regarding criminal and credit background checks, continuing education, and testing	08/16/13 proposal	OCCC

Rule	Short Title/Purpose	Project Date for Presentation to Finance Commission (Proposal or Adoption)	Agency
6. 7 TAC §83.606 & §83.607	Rules for Regulated Lenders <i>New Rules</i> To provide guidelines regarding the calculation of true daily earnings and scheduled installment earnings for Chapter 342, Subchapter F loans	08/16/13 proposal	OCCC
1. 7 TAC §26.13	Perpetual Care Cemeteries – Remains Receptacle Location Recordkeeping To implement Legislative changes	8/16/13 proposal	DOB
2. 7 TAC Chapters 3, 15, 17, 21	Revise terms used in Subtitles A, F, and G of Title 3, Finance Code to be consistent with the Business Organizations Code To implement Legislative changes	8/16/13 proposal	DOB
3. 7 TAC §§3.91, 3.93, 12.91, 19.51	Loan Production Offices and Other Real Estate Owned To implement Legislative changes	8/16/13 proposal	DOB
4. 7 TAC new rules	Cemetery Broker Registration To implement Legislative changes	10/18/13 proposal	DOB
1. 7 TAC, Chapter 88	Consumer Debt Management Services <i>Rule Review</i>	10/18/13 proposal	OCCC
2. 7 TAC, Chapter 85, Subchapter A	Rules of Operation for Pawnshops <i>Rule Review</i>	12/20/13 proposal	OCCC

Rule	Short Title/Purpose	Project Date for Presentation to Finance Commission (Proposal or Adoption)	Agency
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3. 7 TAC, Chapter 83, Subchapter A	Rules for Regulated Lenders <i>Rule Review</i>	February 2014 proposal	OCCC
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A. Finance Commission Matters

6. Discussion of and Possible Vote to Take Action on the Adoption of the Completed Rule Review of 7 TAC, Part 8, Chapter 151, Concerning Home Equity Lending Procedures, and Chapter 153, Concerning Home Equity Lending.

PURPOSE: Pursuant to Texas Government Code, §2001.039, the agency has completed the review of 7 TAC, Part 8, Chapters 151 and 153. The notice of the review was published in the *Texas Register* as required on May 17, 2013 (38 TexReg 3069). The commission received no comments in response to that notice. The commission believes that the reasons for initially adopting these rules continue to exist.

RECOMMENDED ACTION: The agencies request that the Finance Commission approve and adopt the rule review of Chapters 151 and 153 as the reasons for these rules continue to exist.

RECOMMENDED MOTION: I move that we find that the reasons for adopting Chapters 151 and 153 continue to exist and that the rules are repropose and readopted.

Title 7. Banking and Securities
Part 8. Joint Financial Regulatory Agencies
Chapter 151. Home Equity Lending Procedures
Chapter 153. Home Equity Lending

The Finance Commission of Texas and the Texas Credit Union Commission ("commissions") have completed the review of Texas Administrative Code, Title 7, Part 8, Chapter 151, relating to Home Equity Lending Procedures, comprised of §§151.1 - 151.8, and Chapter 153, relating to Home Equity Lending, comprised of §§153.1 - 153.5, 153.7 - 153.18, 153.20, 153.22, 153.24, 153.25, 153.41, 153.51, 153.82, 153.84 - 153.88, and 153.91 - 153.96, pursuant to Texas Government Code, §2001.039.

Notice of the review of 7 TAC, Part 8, Chapters 151 and 153 was published in the *Texas Register* as required on May 17, 2013 (38 TexReg 3069). No comments were received in response to that notice.

The commissions find that the reasons for initially adopting these rules continue to exist, and readopts these chapters in accordance with the requirements of Texas Government Code, §2001.039.

This concludes the review of 7 TAC, Part 8, Chapters 151 and 153.